



# CENTERS FOR INDEPENDENT LIVING COMPLIANCE REVIEW REPORT

Independent Living Center of Mobile, Inc. (ILC-MOBILE)

Grant Award Number: H132A930112

Mobile, Alabama

**REVIEW DATES:** May 6-8, 2013

Draft Report: July 3, 2013  
CIL Response: July 31, 2013  
Final Report: August 7, 2013

REHABILITATION SERVICES ADMINISTRATION

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## **I. PURPOSE OF THE ON-SITE MONITORING REVIEW**

Sections 706(c) and 722 of the *Rehabilitation Act of 1973, as amended* (Rehabilitation Act) mandate that the Rehabilitation Services Administration (RSA) conduct on-site reviews of centers for independent living (CILs) funded under Title VII, Part C, Section 722. The objectives of on-site reviews are to:

- assess compliance with the requirements of Section 725(b) and (c)(3) of the Rehabilitation Act and 34 CFR 366.60-366.63;
- study program operations, organizational structure and administration of the CIL under Section 725(c)(1), (2), (5) and (6) of the Rehabilitation Act and 34 CFR 366.2 and 366.50;
- review documentation sufficient to verify the accuracy of the information submitted in the most recent 704 Annual Performance Report;
- verify that the CIL is managed in accordance with federal requirements in the Education Department General Administrative Regulations (EDGAR);
- assess CIL conformance with its work plan, developed in accordance with Section 725(c)(4) of the Rehabilitation Act and 34 CFR 366.50(d)(2), conditions of the CIL's approved application, and consistency with the State Plan for Independent Living (SPIL);
- identify areas of suggested or necessary improvements in the CIL's programmatic and fiscal operation and provide technical assistance resources available on the local, state, regional and national level;
- identify areas of exemplary work, projects and coordination efforts and make this information available to the larger CIL community; and
- provide an opportunity to share information with experienced nonfederal individuals involved in the operations of CILs and make available technical assistance to enhance CIL operations or to minimize or to eliminate problem areas.

## **II. METHODOLOGY**

The on-site review of the Independent Living Center of Mobile, Inc. (ILC-Mobile), located in Mobile, Alabama, was conducted from May 6-May 8, 2013. The program review covered the center's independent living (IL) operations and activities and the financial review examined the center's participation in Title VII, Part C, of the Rehabilitation Act. RSA used the On-Site Review Guide (ORG) to conduct the on-site review. During the review, interviews were conducted with the center's management, staff, consumers and members of the board of directors. In addition to the interviews, program and financial documents were reviewed in accordance with the protocol required by RSA's ORG, including written policies and procedures, a sample of consumer service records (CSRs), and other documents that verified compliance with standards and indicators. CSRs were selected for review on a random basis. RSA conducted an exit conference at the conclusion of the review to provide feedback on initial impressions from the review.

The RSA review team included the following individuals:

- Elizabeth Akinola, RSA Independent Living Unit program specialist;
- Wendy Gagliardo, nonfederal reviewer;
- Jack Franklin, Chair - Alabama Statewide Independent Living Council; and
- Karen Coffey, representative - Alabama Department of Rehabilitation Service.

### III. MISSION AND DESCRIPTION

ILC-Mobile's mission is to foster and promote programs that empower persons with disabilities to attain their maximum degree of independence. ILC-Mobile provides IL services in the counties of Mobile, Baldwin, Escambia, Washington, Choctaw, Clarke, and Monroe. ILC-Mobile was awarded its first RSA grant under Title VII, Chapter 1, Part C, of the Rehabilitation Act in 1993.

In addition to the four core services, ILC-Mobile is involved in the below projects on behalf of individuals with significant disabilities.

- **Transportation:** This program provides transportation services to consumers for medical and other appointments, to achieve their community integration goals, and to participate in ILC programs, including field trips and other recreational activities. The transportation program is made possible in collaboration with the Alabama Department of Transportation. ILC-Mobile obtained five wheelchair lift equipped 15-passenger vans under the department's 5310 Elderly/Disabled program. For many consumers, there are no other transportation options available as the local public transit provider does not go beyond certain city and time limits. In FY 2012, ILC-Mobile's transportation program provided 2,085 trips to approximately 929 consumers at an estimated cost of \$80,332.00.
- **Home modification program:** This program assists consumers to relocate from institutions and other less desirable residential situations into community-based living and accessible housing arrangements. Since the establishment of this program in 2002, ILC-Mobile has completed approximately 259 home modification projects throughout its seven-county service area. Through collaboration with local partners such as the city of Mobile and the counties of Mobile and Monroe, the home modifications program has had positive impact on consumers' quality of life, and has enabled participants to achieve outcomes in other areas of independent living and community integration, including employment and access to accessible transportation. The home modification program has created independence and self-reliance for consumers who would otherwise not have achieved these goals. In FY 2012, 30 consumers benefitted from this program even though the average cost of a home modification project ranges from approximately \$500 to \$5,000. Over the years, ILC-Mobile has received an estimated \$200,000 from local sources to fund this program.
- **The Day Habilitation program:** This program was established in 2000 to provide services for individuals with severe cognitive disabilities who had to choose between having a family member stay at home with them or be placed in a nursing home. Initially funded through the Alabama Council on Developmental Disabilities, the Day Habitation program now receives 100 percent of its funding

from the State of Alabama Department of Mental Health and Intellectual Disabilities. The program assists participants to learn the skills necessary for increased independence in their daily lives. It also provides participants with socialization opportunities with their peers and members of the local community. Any person with a diagnosis of an intellectual disability and an MRDD Medicaid Waiver is eligible to participate in the Day Habitation program. Instruction for the program is divided between the Young Adult Activities Program and the Prevocational Program. Participants engage in such activities as unified bowling league, Special Olympics, formal dances, art classes, scrapbooking classes, sewing programs, computer training, fishing, social events, holiday festivities, and a variety of outings in the community. About 45 consumers benefit from the Day Habitation program annually. In FY 2012, approximately \$1,058,902 was expended on this and other related programs.

#### **IV. ORGANIZATIONAL STRENGTHS AND EMERGING PRACTICES**

- **Emergency Preparedness program:** This program was established in 2005 to address the devastation resulting from Hurricane Katrina. Through a partnership with the Alabama Council on Developmental Disabilities and the State of Alabama Department of Public Health, ILC-Mobile developed a program to fund, organize and distribute “Get Ready Kits” in conjunction with an educational component. A consumer or family member is informed on having a plan for either evacuation or shelter in place. The ready kits are packed with approximately 40 items including paper towels, whistles, weather radios, small pillow, throw blanket, granola bar, white distress towel, and other items that may be needed during an emergency. Through this partnership, ILC-Mobile has been able to educate individuals with disabilities and their families on emergency preparedness, and they have been able to distribute approximately 400 kits to consumers in the center’s seven-county service area at an estimated cost of \$255,000. During FY 2013, ILC-Mobile is working with the Alabama Department of Public Health and the other two Alabama centers for independent living to distribute 1,400 kits.

#### **V. OBSERVATIONS AND RECOMMENDATIONS**

During its review activities, RSA identified the observation below and made recommendations that ILC-Mobile may consider.

##### **1. CSR management**

**Observation:** RSA randomly selected and reviewed 30 (thirty) hard copy and electronic Consumer Service Records (CSRs) at ILC-Mobile. Of these, 20 (twenty) were active CSRs; 10 (ten) were inactive files. All the CSRs reviewed contained the basic information required in the regulations, 34 CFR 364.53. However, the CSR information and accompanying narratives were not always consistent in layout, format and quality. For example, placement of documentation and forms was not consistently formatted and placed in hard copy CSRs from staff to staff. Also, none of the CSRs contained documentation that consumers had opportunities to provide

feedback regarding satisfaction or dissatisfaction with CIL services; and the hard copy files did not clearly indicate CSR status as inactive or state reasons why files are removed from active status. This information is contained in the electronic copies but the status “other” designation for closed CSRs in the database is confusing. Although reasons stated for CSR closure such as “met all goals,” “died,” “moved” are listed, the status designation should be “inactive,” not “other.” In addition, ILC-Mobile does not have a process in place to ensure quality assurance of the CSRs.

**Recommendation:** RSA recommends that ILC-Mobile:

- 1.1 review and revise its training, supervision and quality assurance procedures related to case management and CSR documentation, including consumer forms to ensure uniformity in the placement and formatting of documentation in the files;
- 1.2 develop and implement a quality assurance methodology related to consistent management of CSRs, and
- 1.3 reset the CIL Management Suite database to accurately designate CSR status as either “active” or “inactive,” not “other.”

**Technical Assistance:** RSA provided technical assistance to ILC-Mobile staff on CSR management, including the online Independent Living Resource Utilization (ILRU) CSR tutorial at: <http://ilru.org/html/training/rapidCourses/index.html>. This module, the first in a three-part series, is offered by ILRU and covers the fundamental federal requirements related to CSRs and Independent Living Plans (ILPs). Specifically, the tutorial covers record keeping and reporting, the importance of CSRs in meeting the reporting requirements for the annual federal 704 report of services and activities, and useful practices for gathering consumer information, developing ILPs, and maintaining complete and accurate records. The primary audience is front line workers in CILs and it is designed to be used in orientation and training for new CIL staff and as a refresher for existing staff.

**ILC-Mobile Response:** Per recommendations of the review agent of the on-site review team (Elizabeth Akinola), the Independent Living Center of Mobile will adopt each recommendation of Ms. Akinola. In addition to the aforesaid recommendations, the Independent Living Center of Mobile will seek the assistance of ILRU by way of previous training which has been noted and archived by ILRU. Furthermore, each Independent Living Specialist will be required to follow and adhere to strictly, the standards identified in 34 CFR 364.53. The staff member whose CSR met all of the requisite information and documentation contained in her CSR during the on-site review, (uniformity and consistency) will be immediately assigned the task of reviewing at least two CSRs for accuracy of the Independent Living Specialist staff members. Finally, we will ensure evidence that each consumer has been offered an opportunity to give feedback regarding satisfaction or dissatisfaction with the Independent Living Center of Mobile’s services. And, we will request that CIL Management designate the determination of the consumer's status of either being active or inactive to alleviate confusion of this option.

## **2. Board development and training**

**Observation:** ILC-Mobile has a plan to provide training to members of the governing board during orientation upon recruitment to introduce them to the center, its programs and services. However, the plan does not include formal training on CIL board roles and responsibilities.

**Recommendation:** RSA recommends that ILC-Mobile revise its training plan for the governing board to include formal training on such topics as board roles and responsibilities, nonprofit governance, IL philosophy and history, as well as fundraising and resource development. The center board may consider utilizing the training and technical assistance resources offered by ILRU and IL-NET to address this observation and recommendation.

**ILC-Mobile Response:** Per the recommendation of the on-site review team the Executive Director in collaboration with the board president, shall make arrangements to secure local board training regarding the board's roles and responsibility, nonprofit governance, Independent Living Philosophy and history; as well as fundraising and resource development. The Independent Living Center of Mobile will ensure that the board has the websites to utilize ILRU and IL-NET resources for training, development and technical assistance. Finally, each board member will receive ongoing literature per non-profit functionality as updated bi-annually (<http://www.ilru.org/> <http://www.ilru.org/html/projects/ilnet/index.html>).

## **VI. FINDINGS AND CORRECTIVE ACTIONS**

RSA identified the compliance finding below. Within 30 days of receipt of the final report, ILC-Mobile must submit a corrective action plan (CAP) to RSA for review and approval. The CAP should include: (1) the specific corrective actions that the CIL will undertake in response to the finding; (2) the methodology that the CIL will utilize to evaluate if each corrective action has been effective; and (3) the timetable for the implementation and evaluation of the corrective action.

RSA reserves the right to pursue enforcement action related to these findings as it deems appropriate, including the recovery of funds, draw down restrictions, funds withholding, or grant terminations, pursuant to 34 CFR 74.60 and 34 CFR 74.62 of the Education Department General Administrative Regulations (EDGAR).

### **Finding 1: Personnel Cost Allocation**

#### **Legal Requirement:**

2 CFR 230, Attachment B, Item 8(m)(1): Charges to awards for salaries and wages, whether treated as direct costs or indirect costs, will be based on documented payrolls approved by a

responsible official(s) of the organization. The distribution of salaries and wages to awards must be supported by personnel activity reports, as prescribed in subparagraph

(1) except when a substitute system has been approved in writing by the cognizant agency. (See subparagraph E.2 of Attachment A.)

(2) Reports reflecting the distribution of activity of each employee must be maintained for all staff members (professionals and nonprofessionals) whose compensation is charged, in whole or in part, directly to awards. In addition, in order to support the allocation of indirect costs, such reports must also be maintained for other employees whose work involves two or more functions or activities if a distribution of their compensation between such functions or activities is needed in the determination of the organization's indirect cost rate(s) (e.g., an employee engaged part-time in indirect cost activities and part-time in a direct function). Reports maintained by non-profit organizations to satisfy these requirements must meet the following standards:

(a) The reports must reflect an after-the-fact determination of the actual activity of each employee. Budget estimates (i.e., estimates determined before the services are performed) do not qualify as support for charges to awards.

(b) Each report must account for the total activity for which employees are compensated and which is required in fulfillment of their obligations to the organization.

(c) The reports must be signed by the individual employee, or by a responsible supervisory official having first-hand knowledge of the activities performed by the employee, that the distribution of activity represents a reasonable estimate of the actual work performed by the employee during the periods covered by the reports.

(d) The reports must be prepared at least monthly and must coincide with one or more pay periods.

(3) Charges for the salaries and wages of nonprofessional employees, in addition to the supporting documentation described in subparagraphs (1) and (2), must also be supported by records indicating the total number of hours worked each day maintained in conformance with Department of Labor regulations implementing the Fair Labor Standards Act (FLSA) (29 CFR Part 516). For this purpose, the term "nonprofessional employee" shall have the same meaning as "nonexempt employee," under FLSA.

(4) Salaries and wages of employees used in meeting cost sharing or matching requirements on awards must be supported in the same manner as salaries and wages claimed for reimbursement from awarding agencies.

**Finding:** Based on the review team's interviews of the staff and review of the personnel and accounting files, ILC-Mobile is not in compliance with federal personnel cost allocation requirements for the below reason.



- Salaries and wages for each of the 28 staff are not charged based on documented payroll documents (time sheets) with signatures showing that they were reviewed and approved by a responsible official.
- The Executive Director's payroll documents do not show that they were reviewed and approved by the Board.
- The distribution of salaries and wages are not supported by any personnel activity reports (PARs) for each of the staff and Executive Director as described in 2 CFR 230 Appendix B, Item 8(m)(2) and reflecting an after-the-fact determination of the actual activity of each employee paid by Part C funds.

**Corrective Action:** ILC-Mobile must take necessary steps to bring the center into compliance with the above federal personnel cost allocation requirements including the development of PARs for each of the staff and the Executive Director and the review and approval of the time sheets by the appropriate responsible official for that employee.

**ILC-Mobile Response:** In accordance to federal statutes provided through the Department of Education via RSA, the Independent Living Center of Mobile requests the assistance by way of ILRU and any other relevant division of the Department of Education to bring resolution to this finding. Your immediate attention to this request is appreciated; as we seek to correct this matter as soon as possible.

## VII. TECHNICAL ASSISTANCE

While onsite, RSA provided technical assistance in the areas described below.

- RSA provided technical assistance regarding the information reported in ILC-Mobile's 704 Annual Performance Report, specifically related to the information reported in subpart I section A - Sources and Amount of Funding in the FY 2012 704 Part II report. In that report, ILC-Mobile reported amounts that do not match information in funding sources documentation. Item 1(b) – Title VII, Part C should be \$461,064 not \$389,934. Item 3(f) local government funds, \$58,761 should include an additional \$101,165; and Item 3(g) foundations, corporations, or trust grants, \$1,781 should include an additional \$1,750. Therefore, the total income amount reported in item1 is off by \$394,705.
- RSA provided technical assistance regarding ILC-Mobile's training plan for members of the governing board, staff and volunteers, specifically the need to develop procedures for requesting training and for documenting training participation and attendance.
- RSA provided technical assistance regarding ILC-Mobile's policy on drug-free workplace and substance abuse, specifically the need to develop and implement an ongoing drug-free workplace awareness training program offered at least once every two years. The personnel manual should be revised to reflect the requirement for this training as well as the documentation needed to show staff participation.
- RSA provided technical assistance regarding ILC-Mobile's reimbursement for gas, specifically regarding the need to revise the travel policy to reflect the governing board's resolution to reimburse the executive director for the regular expense of gas for his van.

Currently, this expense is paid but there is no supporting policy documentation as to why this is done.

- RSA provided technical assistance regarding the need for ILC-Mobile to revise and update its benefits policy to support the payment of staff bonuses and other incentives. Currently bonuses and incentives are paid but there is no written policy or criteria to be met for staff to receive these payments.
- RSA provided technical assistance regarding the need to update ILC-Mobile time sheets to be more consistent with the EDGAR reporting requirements.
- RSA provided technical assistance regarding the need to develop written procedures to minimize the time between the transfer of funds and disbursement of funds.
- RSA provided technical assistance regarding the need to develop quality assurance procedures to ensure that staff comply with case management and CSR maintenance requirements.
- RSA provided technical assistance regarding the need to develop a policy on the use of federal funds for the purchase of food consistent with Department of Education guidance.
- RSA provided technical assistance to ILC-Mobile regarding segregation of purchasing duties, specifically that the center update its purchasing policies and procedures to ensure that the purchase of equipment and supplies, receipt of purchased items and subsequent payment is clearly segregated between the executive director and the assistant director; that there is a set dollar amount limit that would require board approval before purchases are made; and that payment vouchers are identified as to funding sources, expense classification and transaction date.
- RSA provided technical assistance regarding the use of federal funds to pay legal fees and for conducting an annual audit. Payment of legal fees is not an allowable expense under federal cost principles; and the center receives less than \$500,000 in federal funding and, therefore, is not required to conduct an annual audit even though this would otherwise be an allowable cost.

# **UNITED STATES DEPARTMENT OF EDUCATION**

## **OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES**

### **REHABILITATION SERVICES ADMINISTRATION**

Washington, D.C. 20202-2800

#### **Center for Independent Living (CIL)**

#### **On-Site Review Instrument**

Fiscal Year: 2013

Name of Grantee: Independent Living Center of Mobile, Inc. (ILC-Mobile)

Grant #: H132A930112

State: Alabama

*Rehabilitation Act of 1973, as amended*

## **Part I**

### **STANDARDS, INDICATORS AND ASSURANCES FOR CILS**

The following questions are based on the CIL standards, indicators and assurances as required in Title VII of the Rehabilitation Act and the corresponding regulations. Unless otherwise noted, a “no” response indicates that the CIL did not demonstrate minimum compliance with the corresponding standard, indicator or assurance. A “no” response will be the basis for a corresponding finding in the report. The term *recommended practice* denotes a practice that, although not explicitly required by federal law or regulations, would, if followed, further the purpose of the independent living (IL) program.

#### **I. Grantee is an Eligible Agency**

##### **Section 725(c)(1) of the Rehabilitation Act; 34 CFR 364.4(b)**

Yes                      The CIL meets the definition of eligible agency as defined in the statute and regulations.

Verification Source: ILC-Mobile Articles of incorporation; bylaws; CIL policies and procedures

#### **II. Standards and Indicators**

##### **Section 725(b) and (c)(3) of the Rehabilitation Act; 34 CFR Part 366, Subpart G; 704 Report, Part II**

The purpose of this subpart is to measure the extent to which the CIL is in compliance with the standards and assurances in Section 725(b) and (c) of the act.

##### **Compliance Indicator I – Philosophy**

##### **Section 725(b)(1) of the Rehabilitation Act; 34 CFR 366.63(a)**

##### **Consumer Control**

##### **Sections 702(2), 725(b)(1)(A) and 725(c)(2) of the Rehabilitation Act; 34 CFR 366.63(a)(1)**

##### **(a) Governing Board**

##### **Sections 725(b)(1)(A) and 725(c)(2) of the Rehabilitation Act; 34 CFR 366.50(b) and 366.63(a)(1)(i)(A)**

Verification of Consumer Control

  6   Number of persons on the governing board.

4   Number of governing board members with significant disabilities.

Yes                    Is line (ii) over 50 percent of line (i)?

Recommended Practice:

  3   Number of members from minority groups on the governing board.

Yes                    Verification that the CIL Board is the Principal Decision-Making Body

The CIL board is the principal governing body of the CIL, as evidenced, for example, by its bylaws, policies and procedures, and other practices ensuring that policy decisions are vested with the governing body.

Recommended Practices:

Yes                    The CIL has policies and procedures specifying board members' roles and responsibilities.

Yes                    The CIL has a written process for identifying and recruiting board members.

Verification Sources for Governing Board: CIL board officers job descriptions; bylaws; information obtained from CIL staff and board

## **(b) CIL Employees**

### **Sections 725(b)(1)(A) and 725(c)(6) of the act; 34 CFR 366.63(a)(1)(i)(B)**

<u>CIL Employees</u>	<u>Total Persons</u>	<u>Persons with Disabilities</u>
Decision-making positions	<u>    4    </u>	<u>    3    </u>
Other staff positions	<u>   24   </u>	<u>   14   </u>

Yes                    Over 50 percent of the CIL's employees in decision-making positions are filled by individuals with disabilities.

Yes                    Over 50 percent of staff positions are filled by individuals with disabilities.

Recommended Practice:

 12  Number of minority<sup>1</sup> employees (decision-making and other staff positions)

Verification Sources for CIL Employees: ILC-Mobile staff list and float chart; information from staff

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<sup>1</sup> In this instance, "minority" refers to members of racial or ethnic groups that have been traditionally underrepresented.

## **Self-help and Self-advocacy**

### **Section 725(b)(1)(B) of the Rehabilitation Act; 34 CFR 366.63(a)(2)**

Yes                    The CIL promotes self-help and self-advocacy among individuals with significant disabilities.

Verification Sources for Self-help and Self-advocacy: CIL programs; CIL bylaws; information from CIL board, consumers and staff.

## **Development of Peer Relationships and Peer Role Models**

### **Section 725(b)(1)(C) of the Rehabilitation Act; 34 CFR 366.63(a)(3)**

Yes                    The CIL promotes the development of peer relationships and peer role models among individuals with significant disabilities.

Verification Sources for Development of Peer Relationships and Peer Role Models: CIL programs; CIL bylaws; information from CIL board, consumers and staff.

## **Equal Access**

### **Section 725(b)(1)(D) of the Rehabilitation Act; 34 CFR 364.23(b) and 366.63(a)(4)(5)**

Yes                    Ensures equal access of individuals with significant disabilities, including communication and physical access, to the CIL's services, programs, activities, resources and facilities, whether publicly or privately funded.  
*Equal access, for purpose of this question, means that the same access is provided to any individual with a significant disability regardless of the individual's type of disability.*

Yes                    Advocates for and conducts activities that promote the equal access to all services, programs, activities, resources and facilities in society, whether public or private, and regardless of funding source, for individuals with significant disabilities.  
*Equal access, for the purposes of this question, means that the same access provided to individuals without disabilities is provided in the center's service area to individuals with significant disabilities.*

Yes                    To the maximum extent feasible, makes available personnel able to communicate with individuals with significant disabilities who rely on alternative modes of communication (manual communication, nonverbal communication, Braille, audiotapes, etc.) and who apply for or receive IL services.

- Yes To the maximum extent feasible, makes available personnel able to communicate in the native languages of individuals with significant disabilities whose English proficiency is limited and who apply for or receive IL services.
- Yes Makes available in alternate formats, as appropriate, all of its written policies, materials and IL services (e.g., Braille, large print, audio tape).
- Yes The CIL is physically accessible for individuals with significant disabilities, for example, individuals with mobility disabilities (e.g., signage, doors, bathrooms, parking lots) or individuals with Environmental Illness and Multiple Chemical Sensitivity (e.g., no-fragrance policy or use of “green” cleaners).
- Yes The CIL ensures communication access for individuals with significant disabilities by using, for example, TDDs/TTYs for individuals with hearing disabilities or picture boards and/or other means of communication for individuals with cognitive disabilities.

<u>Types of reasonable accommodation:</u>	<u>Full-time</u>	<u>Part-time</u>	<u>Upon Request</u>
Interpreters are available at the CIL.	_____	_____	<u>  X  </u>
Readers are available at the CIL.	_____	_____	<u>  X  </u>
Personal attendants are available at the CIL.	_____	_____	<u>  X  </u>

Verification Sources for Equal Access: personnel policies; Observation of review team; information from CIL consumers and staff; CIL programs

## **Compliance Indicator 2- Provision of Services on a Cross- Disability Basis**

### **Section 725(b)(2) of the Rehabilitation Act; 34 CFR 366.63(b)**

- Yes Provides IL services to eligible individuals or groups of individuals without restrictions based on the particular type or types of significant disability of an individual or groups of individuals, unless the restricted IL service (other than the IL core services) is unique to the significant disability of the individuals to be served, e.g., Braille instruction for persons who are blind.
- Yes Provides IL core services to individuals with significant disabilities in a manner that is neither targeted nor limited to a particular type of significant disability.
- Yes Provides IL services to individuals with a diversity of significant disabilities and individuals who are members of populations that are unserved or underserved by programs under Title VII of the act.

Verification Sources for Provision of Services on a Cross-Disability Basis: CIL bylaws; CIL programs; information from CIL staff and consumers; CIL mission statement

### **Compliance indicator 3 – Independent Living Goals**

#### **Section 725(b)(3) of the Rehabilitation Act; 34 CFR 366.63(c); 34 CFR 364.52; 34 CFR 364.53**

Yes            The CIL maintains a consumer service record (CSR) for each consumer.

The CSRs contain:

Yes            Documentation showing that the individuals are eligible or ineligible for services (only those eligible are served).

Yes            Written Independent Living Plans (ILPs) or written waivers from the consumers stating that ILPs are unnecessary.

Yes            Information on the services requested by, and the services provided to, or arranged for, the consumers.

Yes            The IL goals or objectives established with the consumers, whether or not in the ILPs.

Yes            The goals or objectives the consumers believe they have achieved.

The CIL maintains documentation on:

Yes            CIL notification to consumers of their right to develop, or waive the development, of an ILP.

Yes            The number of ILPs developed by consumers receiving services from the CIL.

Yes            The number of waivers signed by consumers receiving services from the CIL stating that an ILP is unnecessary.

Yes            The CIL's facilitation of the development and achievement of IL goals selected by individuals with significant disabilities who request assistance from the CIL.

Yes            The CIL's provision of opportunities for consumers to express satisfaction or dissatisfaction with the CIL's services and policies and documentation the CIL sends any results to its governing board and the appropriate SILC.

The ILPs:

Yes            Indicate the goals or objectives established, the services to be provided and the anticipated duration of the services.



- No            Are developed jointly and signed by the appropriate CIL staff member and the individual with a significant disability/legally authorized representative.
- Yes            Are provided in accessible formats, as needed.
- Yes            Are reviewed at least annually to determine whether services should be continued, modified or discontinued and/or whether the individual should be referred to another program, including VR, developmental disability or special education individualized plans as appropriate.

Recommended Practice:

- Yes            The CIL has written CSR management policies and procedures.

Verification Sources for Independent Living Goals: CIL Management Suite – database; CSRs

#### **Compliance Indicator 4 – Community Options and Community Capacity**

##### **Section 725(b)(4), (6), and (c)(10) of the Rehabilitation Act; 34 CFR 366.63(d)**

The CIL performed at least one activity in each of the following categories during the reporting year:

- Yes            Community advocacy.
- Yes            Technical assistance to the community on making services, programs, activities, resources and facilities in society accessible to individuals with significant disabilities.
- Yes            Public information and education.
- Yes            Aggressive outreach to populations of individuals with significant disabilities that are unserved or underserved by programs under Title VII of the act in the CIL's service area.
- Yes            Collaboration with service providers, other agencies, and organizations that could assist in improving opportunities for individuals with significant disabilities to avail themselves of the services, programs, activities, resources and facilities in the CIL's service area.
- Yes            Did the CIL's outreach to unserved or underserved populations include minority groups and urban and rural populations?

Verification Sources for Community Options and Community Capacity: CIL programs and services; systems advocacy and outreach activities; information from CIL board, staff and consumers

## **Compliance indicator 5 – IL Core Services and Other IL Services**

### **Section 725(b)(5) of the Rehabilitation Act; 34 CFR 366.63(e); 34 CFR 364.51(b)(2)(iii); 34 CFR 364.58**

Yes                    The CIL provides information and referral services to all individuals who request this type of assistance from the CIL in accessible formats.

The CIL provides the following services in response to requests from individuals with significant disabilities who are eligible for IL services:

Yes                    Independent living skills training.

Yes                    Peer counseling (including cross-disability peer counseling).

Yes                    Individual and systems advocacy.

Yes                    A combination, as appropriate, of any two or more of the IL services defined in Section 7(18)(B) of the act.

The CIL maintains documentation regarding notification of applicants and consumers about:

Yes                    Policies and procedures, including accessible formats, to obtain review of decisions made by the CIL concerning requests for/provision of IL services.

Yes                    The availability of the Client Assistance Program (CAP) and how to contact the CAP, including accessible formats.

Verification Sources for IL Core Services and Other IL Services: CIL programs descriptions; mission statement; CAP posters on walls at CIL; information from CIL consumers, board and staff; CAP brochures

## **Compliance indicator 6 – Resource Development**

### **Section 725(b)(7) of the Rehabilitation Act; 34 CFR 366.63(e)**

Yes                    The CIL during the reporting year conducted resource development activities to obtain funding from sources other than Chapter 1, Title VII, of the act.

Verification Sources for Resource Development Activities: CIL bylaws; policies and procedures; review of CIL funding sources and accounting policies; information in CIL board minutes regarding fundraising activities; information from CIL board, staff and management

## **III. Program and Financial Planning Objectives**

### **Section 725(c)(4) of the Rehabilitation Act; 34 CFR 366.50(d)**

- Yes            The CIL has established annual and three-year program and financial planning objectives.
- Yes            The objectives include the CIL's goals and mission.
- Yes            The CIL has a current work plan for achieving the goals or mission and has included specific activities to meet the requirements in the indicators.
- Yes            The work plan includes specific services, priorities and types of services to be provided.
- Yes            The objectives and work plan are consistent with the current SPIL.

Recommended Practices:

- Yes            The work plan includes objectives and goals for obtaining or increasing non-Title VII funding.
- Yes            The work plan addresses board, staff and/or volunteers training.

Verification Sources for Program and Financial Planning Objectives: ILC-Mobile 3-year program and financial work plans– revised and submitted to RSA on 05/10/2013

#### **IV.    704 Report Accuracy and Documentation**

##### **Section 725(b)(c) of the Rehabilitation Act; 34 CFR 366.50(h)(i)**

- Yes            The CIL has implemented internal controls and procedures (including quality assurance) to ensure 704 Report accuracy and documentation.
- Yes            Based on the CSRs, consumer lists, physical files and other documentation reviewed by RSA, the funding sources and amounts, CSR data (number of consumers, consumer demographics, ILPs and waivers, IL services and goals), standards and assurances compliance and other information in the most recent 704 Report are accurate and complete.

## **Part II**

### **ORGANIZATION AND ADMINISTRATION OF THE CIL**

#### **V. Organizational and Personnel Practices**

##### **Sections 704(m)(2) and 725(c)(5) of the Rehabilitation Act; 34 CFR 364.31; 34 CFR 366.50(e)**

Yes            The CIL uses sound organizational and personnel assignment practices (including organizational chart indicating lines of authority, job descriptions, performance appraisals).

Yes            The personnel practices include affirmative action to employ and advance in employment qualified individuals with significant disabilities.

Recommended Practice:

Yes            The CIL has personnel policies addressing such areas as wage and salary, fringe benefits, vacation and sick leave, etc.

Verification Sources for Organizational and Personnel Practices: ILC-Mobile employee float Chart; job descriptions for staff; personnel policies and procedures

#### **VI. Staff Development and Training**

##### **Section 725(c)(11) of the Rehabilitation Act; 34 CFR 364.23(a); 34 CFR 364.24; 34 CFR 366.50(l)**

Yes            The CIL includes personnel who are specialists in the development and provision of IL services and in the development and support of centers.

Yes            The CIL has established and maintains a program of staff development for all classes of positions involved in providing IL services and, where appropriate, in administering the CIL program.

Yes            The staff development program is directed at improving the skills of staff directly responsible for the provision of IL services, including knowledge of and practice in the IL philosophy.

Yes            The staff receives training on how to serve unserved and underserved populations, including minority groups and urban and rural populations.

Recommended Practice:

Yes                    The CIL has a governing board training and development program.

Verification Sources for Staff Development and Training: ILC-Mobile training and development plan

**Reviewer’s note:** ILC-Mobile regularly provides training and development to staff locally, in-house and through ILRU. However, board training is mainly provided during orientation upon recruitment and does not include training on CIL board roles and responsibilities.

## **VII. Conflict of Interest**

### **EDGAR 34 CFR 75.525**

Yes                    The CIL safeguards against a person (employee, board member, volunteer) to participate in an administrative decision regarding a project if the decision is likely to benefit that person or a member of his or her immediate family and that person is a public official or has a family or business relationship with the CIL.

Yes                    The CIL safeguards against any person in the project to use his or her position for a purpose that is, or gives the appearance of being, motivated by a desire for a private financial gain for that person or for others.

Verification Sources for Conflict of Interest: ILC-Mobile’s conflict of interest policy; Interviews with Board members and staff.

## **VIII. Confidentiality**

### **34 CFR 364.56(a)**

Yes                    The CIL has adopted and implemented policies and procedures to safeguard the confidentiality of all personal information, including photographs, publicity releases and lists of names that comply with 34 CFR 364.56(a) requirements including but not limited to:

Yes                    protecting current and stored personal information.

Yes                    informing IL applicants or consumers, authorized representatives, service providers and others, as appropriate, about the confidentiality of personal information and the conditions for gaining access to and releasing this information.

Recommended Practice:

Yes                    The CIL has meeting space that ensures that consumers’ confidentiality is protected when meeting with staff.

Verification Sources for Confidentiality: ILC-Mobile personnel policies and procedures; tour of office areas, files and staff interviews.

**Reviewer's note:** ILC-Mobile strives to protect consumer confidentiality; staff have individual offices with doors that are closed during meetings with consumers. However, the staff offices have partition walls that do not go all the way up to the ceiling - there is considerable distance between where the office partition walls end and where the ceiling begins. Therefore, conversation is very audible even behind closed doors unless those conversations are carried on in very, very low tones. This partition wall/ceiling gap greatly compromises confidentiality during consumer meetings with staff. The CIL executive director informed the review team that every attempt at getting the landlord to modify the space and correct this deficiency has been met with opposition with concerns about fires and other hazards being used as reasons why modification is not an option. The ILC-Mobile governing board and executive director are in the process of identifying a new office space for relocation where it is hoped consumer confidentiality will be fully guaranteed.

## **IX. Drug-Free Workplace**

### **EDGAR 34 CFR 84.200 – 84.230**

- |     |   |
|-----|---|
| Yes | The CIL conforms to the requirements of a drug-free workplace.  |
| Yes | A statement is published notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of controlled substances is prohibited at the CIL and specifying the action that will be taken against employees for violating the prohibition. |
| Yes | The CIL has established an ongoing drug-free awareness program.   |
| Yes | Each grant-funded employee has been given a copy of the prohibition statement, including a notification that conditions of employment at the CIL require abiding by the statement and informing the director of the CIL of any convictions under a drug statute.        |
| Yes | The CIL has taken appropriate personnel action against employees or has required employees to participate in drug abuse assistance program or rehabilitation program if such employees were convicted under a criminal drug statute conviction.                         |

Verification Sources for Drug-Free Workplace: ILC-Mobile's Drug Free Workplace policy; ongoing drug-free workplace awareness program and documentation policy developed/submitted to review team on 05/07/2013

## **X. Insurance Coverage**

### **EDGAR 34 CFR 74.31**

- |     |   |
|-----|---|
| Yes | The CIL has insurance coverage for real property and equipment acquired with federal funds equivalent to that provided for property owned by the grantee. |
|-----|---|

Verification Sources for Insurance Coverage: Copy of insurance policy.

## **XI. Nondiscrimination**

### **EDGAR 34 CFR 75.500**

Yes            The CIL does not deny services to persons on the basis of their race, color, national origin, sex, age or the existence of a disability.

Verification Sources for Nondiscrimination: ILC-Mobile's bylaws; personnel policies and procedures; nondiscrimination policy

## **XII. Prohibition Against Lobbying**

### **EDGAR 34 CFR 82.100; 2 CFR 230, Attachment B, Item 25**

Yes            The CIL has on file a signed and dated copy of the Certification of Lobbying Form ED-80-0013 against using federal funds to influence or attempt to influence any federal agency or Congress through lobbying activities as described in 2 CFR 230, Attachment B, Item 25 and EDGAR 34 CFR 82.100.

Recommended Practice:

Yes            Incorporates provisions consistent with 2 CFR 230, Attachment B, Item 25 safeguarding against lobbying in its written policies and procedures.

Verification Sources for Prohibition Against Lobbying: certification against lobbying; policy against lobbying with federal funds; discussion with board, management and staff.

## Part III

### GRANTS MANAGEMENT

#### **XIII. Sources and Amounts of Funding (as verified by the review team)**

(A) Title VII, Ch. 1, Part B	\$0
(B) Title VII, Ch. 1, Part C	\$461,064
(C) Title VII, Ch. 2	\$71,130
(D) Other Federal Funds	\$754,897
(E) State Government Funds	\$304,005
(F) Local Government Funds	\$58,761
(G) Foundations, Corporations, or Trust Grants	\$1,781
(H) Donations from Individuals	\$3,328
(I) Membership Fees	\$0
(J) Investment Income/Endowment	\$476
(K) Fees for Service (program income, etc.)	\$4,192
(L) Other Resources (in-kind, fundraising, etc.)	\$1,930

#### **Item 4 - Total Income**

Total income = (A)+(B)+(C)+(D)+(E)+(F)+(G)+(H)+(I)+(J)+(K)+(L) \$1,709,099

#### **Item 5 - Pass Through Funds**

Amount of other government funds received as pass through funds to consumers (include funds received on behalf of consumers that are subsequently passed on to consumers, e.g., personal assistance services, representative payee funds, or Medicaid funds) \$0

#### **Net Operating Resources**

Total Income (Section 4) <minus> amount paid out to consumers (Section 5) =  
Net Operating Resources \$1,709,099



**Reviewer's note:** A review of the center's funding sources and expenditures indicates that some of the amounts reported in subpart I section A of the 704 report are inaccurate. Item 1(b) – Title VII, Part C should be \$461,064 not \$389,934. Item 3(f) local government funds, \$58,761 should include an additional \$101,165; and Item 3(g) foundations, corporations, or trust grants, \$1,781 should include an additional \$1,7500. Therefore, the total income amount reported in item1 is off by \$394,705. The CIL executive director agreed to revise subpart I section A item of the 704 report. The AL RSA IL representative was asked to disapprove the center's FY 2012 704 report on 05/13/2013 to allow the CIL to make revisions.

#### **XIV. Grant Related Income**

##### **34 CFR 364.6; EDGAR 34 CFR 74.2 and 74.24**

N/A            If program income is generated with federal funds, such income is used for allowable and approved purposes.

Verification Sources for Grant Related Income: N/A

#### **XV. Budget**

##### **EDGAR 34 CFR 74.21, 74.25, 75.702 and 75.730**

Yes            Expenditures are recorded by budget cost category and funding sources.

Yes            Procedures are followed to assure expenditures are consistent with the approved budget of the CIL.

No            CIL requests prior RSA approval for budget and program plan revisions, when required under EDGAR 74.25.

Verification Sources for Budget: Reviewed Budget Narrative, QuickBooks reports.

**Reviewer's note:** ILC-Mobile has not revised approved budget but will request prior approval from RSA to do so. Also, reviewers noticed that the CIL expended about \$4,580 on legal fees and A-133 audits. The legal fees are an unallowable expense. Though the audit fees are allowable, ILC-Mobile does not receive enough Part C moneys—regular and ARRA to spend federal funds on audits. Executive director will therefore reallocate funds from general funds to reimburse RSA for the amounts involved. He will send Pamela Hodge, AL RSA IL representative a note about this when completed.

#### **XVI. Personnel Cost Allocation**

##### **2 CFR 230, Attachment B, Item 8(m)(1)**

No            Salaries and wages are charged based on documented payrolls approved by a responsible official.

- No            The distribution of salaries and wages are supported by personnel activity reports described in 2 CFR 230 Appendix B, Item 8(m)(2) and reflecting an after-the-fact determination of the actual activity of each employee.
- No            The CIL maintains reports reflecting the distribution of activity of all staff members whose compensation is charged to the award.

**Reviewer's note:** There is no approval of time worked.

## **XVII. Fiscal Management**

### **EDGAR 34 CFR 74.21, 74.22, 74.52, 75.702, 75.707, 75.730; 2 CFR 230 Appendix A, Paragraph D**

The CIL's financial management systems provides for the following:

- Yes            Accurate, current, and complete disclosure of the financial results of each federally-sponsored project in accordance with the reporting requirements of the SF-425 financial status report, including program income, federal and recipient shares of expenditures, indirect costs, etc.
- Yes            Records that identify adequately the source and application of funds for federally-sponsored activities.
- Yes            Effective control over and accountability for all funds, property and other assets in order to safeguard all assets and ensure they are used solely for authorized purposes.
- Yes            Comparison of outlays with budget amounts for each award.
- No            Written procedures that minimize the time between the transfer of funds and the disbursement of funds by the recipient.
- Yes            Written procedures for determining the reasonableness, allocability and allowability of costs.
- Yes            Accounting records, including cost-accounting records, supported by source documentation and entries are made on a timely basis.

Name/Title of person responsible for preparation of the SF-425: Michael Davis, executive director

**Reviewer's note:** As at the beginning of onsite monitoring, there were no written procedures that minimize the time between the transfer of funds and the disbursement of funds by the recipient, but they do incur the expenses for the Title VII Part C funding before they drawdown the funds. Amendments were made to the ILC-Mobile Standard Operating Procedures on May

6, 2013 - GAPS (G5) Drawdown Policy to address this area; CIL should comply with this requirement by consistently implementing the new procedure/policy.

Yes                    The CIL has an approved U.S. Department of Education cost allocation plan (CAP) or indirect cost rate.

Yes                    The CIL distributes administrative costs among its various funding sources in an equitable manner as described in the CIL's approved CAP or indirect cost rate.

Verification Sources for Fiscal Management: Review of various accounting documents, discussions with bookkeeper

## **XVIII. Accounting Systems**

### **EDGAR 34 CFR 74.21**

Yes                    The organization maintains a formal accounting system.

If the accounting system is computerized, identify the accounting program software used:  
QuickBooks 2012

The elements of the formal accounting system are (*check as appropriate*):

☒ General Ledger

☒ Grant Ledger

☒ General Journal

☒ Cash Receipts

Describe other(s): cash disbursements

The formal accounting system is maintained by (*check as appropriate*):

☐ Cash basis

☒ Accrual basis

Describe other(s): cash disbursements

Verification Sources for Accounting Systems: Discussion with contracted book keeper and review of various reports

## **XIX. Travel Costs**

### **EDGAR 34 CFR 74.27; 2 CFR 230, Attachment B, Item 51(b)**

- Yes Travel costs incurred by employees and officers are reasonable and allowable, i.e., do not exceed charges allowed under the CIL's written travel policy or, in the absence of such a policy, as provided in 2 CFR 230, Attachment B, Item 51(b).
- Yes Travel costs reimbursement requests for federal funds are justified and documented, e.g., through travel authorizations, receipts, etc., in accordance to the CIL's travel policy.

The policy provides for reimbursement by (*check as appropriate*):

☒ (1) Actual expenses

☐ (2) Per diem

Verification Sources for Travel Policies: Employee handbook, review of General Ledger, review of source documentations

**Reviewer's note:** The travel policy should include the cost of reimbursement for gas for the executive director's van. The review team was presented a copy of the board's declaration to approve this regular expense. Also, amendments were made to the ILC-Mobile Employee Handbook on May 6, 2013 to address this area.

## **XX. Procurement**

### **EDGAR 34 CFR 74.21 and 74.40 - 74.48**

- Yes The CIL has written procurement procedures complying with EDGAR 34 CFR 74.44.
- Yes The procurement procedures give adequate consideration to costs, quality, delivery, competitive bidding, inspection and acceptance, as well as reasonableness, allocability and allowability of costs.
- Yes The procurement procedures address the 34 CFR 74.42 – 74.48 requirements including written contract award and administration code of conduct; open and free competitions; cost and price analysis; records and files; contractor conformance/performance.
- Yes There is separation of responsibility for the authorization for purchasing and the subsequent payment. For example, payments are made only if disbursements or checks are countersigned.
- No Payment vouchers are identified as to funding sources, expense classification and transaction date.

The executive staff/board approval is needed for items over: The Executive Director approves all purchases. Barbara H., assistant director, is responsible for purchasing equipment and supplies

**Reviewer's note:** As at the beginning of the onsite monitoring, ILC-Mobile has written procurement policies but no written procedures. Amendments were made to the purchasing policy/standard operating procedures by COB on 05/06/2013 stating that purchases over \$500.00 must be approved by the Executive Director; and purchases in excess of \$10,000 must have pre-approval of a majority of the ILC Board of Directors. Purchases of more than \$5,000 must have bids submitted from at least three vendors. The amendments further segregated purchasing duties/procedures among the executive director, the assistant director and the office manager. ILC-Mobile should ensure that this new policy/procedures are consistently implemented.

The person(s) responsible for purchasing equipment and supplies: Michael Davis,, Executive Director; and Barbara Hartier, assistant director

Verification Sources for Purchasing: Reviewed purchasing policies, purchase orders and invoices

## **XXI. Property**

### **EDGAR 34 CFR 74.34(f) and (g), 74.44(a)**

- |     |   |
|-----|---|
| Yes | The CIL maintains current and complete records of all property purchased with grant funds.  |
| Yes | The CIL has a system for controlling inventory (general ledger control account, card reports, property labels).   |
| Yes | Maintenance of property and equipment records are kept.   |
| Yes | Records contain: description of each piece of equipment; purchase date/cost; manufacturer's serial number, model number, federal stock number, national stock number, or other ID number; source of equipment award number; where title vests; information from which federal participation can be calculated; location and condition of the equipment, date information was reported; and ultimate disposition |

Yes                    The CIL inventories property at least once every two years.

Date of last inventory: An inventory was done but not sure of date

Yes                    Adjustments to inventory accounts are made only on written authority of a designated official.

Name/Title of designee: Barbara Hartier, assistant director

Yes                    The CIL guards against loss, damage or theft of property.

Yes                    The CIL has policies, procedures and controls for purchasing and disposing of property.

Verification Sources for Property: Fixed asset depreciations; inventory listings; discussions with bookkeeper. ILC-Mobile presented a memorandum from contracted auditor to have inventory conducted; this was done but not documented on excel spreadsheet reviewed.

**Reviewer's note:** As at the beginning of the onsite monitoring, ILC-Mobile did not have an inventory policy. However, the following amendments to the standard operating procedures was submitted to the review team to comply with federal requirements: 27.1 A fixed assets inventory will be completed by the Assistant Director at least every two years. This should include office equipment, vehicles and contents of storage units (if applicable). This inventory will be due at the end of the fiscal year and made available to auditor prior to annual audit or as requested. ILC-Mobile should ensure that this policy/procedures are consistently implemented.

## **XXII. Conferences and Meetings**

### **2 CFR 230; Memorandum to Grantees Regarding the Use of Grant Funds for Conferences and Meetings, U.S. Department of Education, June 2012 (GAN Enclosure 7)**

Yes The CIL ensures (e.g., through written policies or procedures) that, when hosting a conference or meeting, Part C or other federal funds are not used to purchase:

-food for attendees unless doing so is necessary to accomplish legitimate meeting or conference business;\*

-alcoholic beverages; or

-entertainment (amusement, diversion, social activities, etc.)\*

\* This prohibition does not apply to social and recreational services described in 34 CFR 364.4 and related to IL goal(s) in a consumer's CSR, such as peer support meetings.

## **XXIII. Records Retention**

### **34 CFR 364.53; EDGAR 34 CFR 74.53(b); EDGAR 34 CFR 75.730**

Yes Financial, consumer records and other documentation are maintained and retained for a period of three years in accord with federal requirements.

Verification Sources for Records Retention: record retention policy and employee handbook/manual

## **XXIV. Audit**

### **EDGAR 34 CFR 74.26**

No The CIL expended \$500,000 or more in federal awards during the reporting year.

No *If "Yes" above, an annual nonfederal audit including funds received under Title VII, Chapter 1 of the act has been conducted and a copy thereof submitted to the Federal Audit Clearinghouse, as required.*

Verification Sources for Audit: Reviewed audit reports and financial statements.